

LEHMAN RE LTD.

September 17, 2008

LEHMAN BROTHERS
Three World Financial Center, 8th Floor
New York, NY 10285-0800

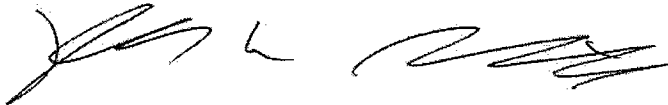
Attn: Robert H. Bing
Central Funding
(212) 526-8634 (phone)
(212) 526-6169 (fax)

Re: Master Repurchase Agreement

Dear Mr. Bing:

We write to advise you that, pursuant to Paragraph 11 of the Master Repurchase Agreement, dated as of July 9, 1999 (the "Agreement"), Lehman Re Ltd. has declared an Event of Default based upon Lehman Commercial Paper Inc.'s failure to comply with Paragraph 4 of that Agreement.

Very truly yours,

A handwritten signature in black ink, appearing to be "J. L. [unclear]", is written over a horizontal line.

Cumberland House
1 Victoria Street, 3rd Floor
Hamilton HM 11 Bermuda